

Exhibit 12



patent office litigation

What is Patent Office Litigation?

The America Invents Act of 2011 has ushered in a variety of ways to either challenge or strengthen patents at the U.S. Patent and Trademark Office. These Patent Office Litigation proceedings include:

Inter Partes Review

An *inter partes* review enables a third party to challenge one or more claims in an issued patent at the United States Patent & Trademark Office. IPR was designed to replace *inter partes* reexamination practice.

Post Grant Review

Post grant review provides an opportunity for a third party to petition the United States Patent & Trademark Office to review one or more claims in an issued patent. The window within which the third party can file a petition is limited to the first nine months following issuance of the patent or reissuance of broadened patent claims. However, the proceeding provides for a scope of challenges broader than that allowed for in *inter partes* review.

Covered Business Methods

The purpose of a covered business method patent review is to provide a separate vehicle for accused infringers to challenge certain types of business method patents while providing an alternative to costly litigation in courts. This review mostly follows the procedures for post-grant review, with main differences including grounds for standing, timing, and prior art requirements, along with unique stay and estoppel provisions.

Derivation Proceedings

A derivation proceeding provides a safeguard to help ensure that the first person to file a patent application is actually a true inventor. Only a patent or application containing one or more claims having an effective filing date on or after March 16, 2013 will be eligible for a derivation proceeding.

Interferences

Interferences remain a fact of life despite the switch from a first-to-invent system to a first-inventor-to-file system, effective March 16, 2013. Two changes that became effective September 16, 2012 are:

For interferences declared after September 16, 2012, appeals from the Patent Trial and Appeal Board (PTAB) will go before a district court, not the Federal Circuit.

The PTAB can dismiss an interference and allow a party to petition for post grant review instead

Reexamination

A request for *ex parte* reexamination may be filed anonymously by any party, including the patent owner, at any time during period of enforceability of a patent. A reexamination will commence only if the request raises at least one substantial new question of patentability on the basis of patents and printed publications.

Why Sterne Kessler?

30 *inter partes* review proceedings

400+ reexaminations under our belt

50+ interference proceedings

Technical skills to deconstruct patents for challenge or defense

Strong understanding of the USPTO and PTAB

Significant foreign opposition experience

Interdisciplinary teams that merge technical, USPTO and District Court trial experience

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